

SENATE BILL NO. 521

BY SENATOR JOHNS

1 AN ACT

2 To amend and reenact the heading of R.S. 23:642 and 642(A)(2), (3), and (B), relative to
3 employment; to prohibit a parish or municipality from establishing certain minimum,
4 mandatory leave days; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. The heading of R.S. 23:642 and 642(A)(2), (3), and (B) are hereby
7 amended and reenacted to read as follows:

8 §642. Setting minimum wage or employee benefits, prohibited

9 A. * * *

10 (2) The legislature further finds that wages and employee benefits comprise
11 the most significant expense of operating a business. It also recognizes that neither
12 potential employees nor business patrons are likely to restrict themselves to
13 employment opportunities or goods and services providers in any particular parish
14 or municipality. Consequently, local variation in legally required minimum wage
15 rates or mandatory, minimum number of vacation or sick leave days would
16 threaten many businesses with a loss of employees to areas which require a higher
17 minimum wage rate and many other businesses with the loss of patrons to areas
18 which allow for a lower wage rate and more or less vacation or sick leave days.
19 The net effect of this situation would be detrimental to the business environment of
20 the state and to the citizens, businesses, and governments of the various local
21 jurisdictions as well as the local labor market.

22 (3) The legislature concludes from these findings that, in order for a business
23 to remain competitive and yet to attract and retain the highest possible caliber of
24 employees, and thereby to remain sound, an enterprise must work in a uniform
25 environment with respect to minimum wage rates and mandatory, minimum
26 number of vacation or sick leave days. The net impact of local variation in
27 mandated wages and mandatory, minimum number of vacation or sick leave

1 ~~days~~ would be economic instability and decline and a decrease in the standard of
2 living for the citizens of the state. Consequently, decisions regarding minimum wage
3 and employee benefit policy must be made by the state so that consistency in the
4 wage market is preserved.

5 B. Therefore, pursuant to the police powers ultimately reserved to the state
6 by Article VI, Section 9 of the Constitution of Louisiana, no local governmental
7 subdivision shall establish a mandatory, minimum number of vacation or sick
8 leave days, whether paid or unpaid, or a minimum wage rate which a private
9 employer would be required to pay or grant employees.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____